

SBIR CALCULATIONS

The Small Business Group fee (SBIR or SBR) is calculated as 2.5% of the total dollars provided to the Agreement, to fund the ARS share of support for the SBIR program, as required by the Small Business Innovation Development Act of 1982.

How to Calculate:

To **NET** a specified figure to the Cooperator and pay the SBR as an add-on amount out of the funding CRIS:

$$\text{\$ (total agreement amount)} \times .025 = \text{\$ SBR (rounded to nearest \$)}$$

e.g., \$75,000 \times .025 = \$1875 SBR. The ARIS entry would be \$75,000 and ARIS would calculate the SBR.

To **DEDUCT** the SBIR from the total dollars allotted to the research project:

1. $\text{\$ (total amount allotted to project)} \div 1.025 = \text{\$ NET to the project}$
(rounded to nearest dollar)
2. $\text{\$ (NET to project)} \times .025 = \text{\$ SBR (rounded to nearest dollar)}$
3. **NET plus SBR should equal Total amount allotted to project.**

Example:

$$\begin{aligned} \$75,000 \div 1.025 &= \$73,170.73 = \$73,171 \text{ NET} \\ \$73,171 \times .025 &= \$1,829.275 = \$1,829 \text{ SBR} \\ \$73,171 \text{ NET} + \$1,829 \text{ SBR} &= \$75,000 \text{ Total amt.} \end{aligned}$$

~ OR ~

1. $\text{\$ (total amount allotted to project)} \times 97.561\% = \text{\$ NET to the project}$
(rounded to nearest dollar)
2. $\text{\$ (NET to project)} \times .025 = \text{\$ SBR (rounded to nearest dollar)}$
3. **NET plus SBR should equal Total amount allotted to project.**

Example:

$$\begin{aligned} \$75,000 \times 97.561\% &= \$73,171.35 = \$73,171 \text{ NET} \\ \$73,171 \times .025 &= \$1,829.275 = \$1,829 \text{ SBR} \\ \$73,171 \text{ NET} + \$1,829 \text{ SBR} &= \$75,000 \text{ Total amt.} \end{aligned}$$

The ARIS entry would be \$73,171 and ARIS would calculate the SBR @ \$1829.

These calculations are very important so that your AD-700 and ARIS are in agreement.

All in-house agreements get assessed SBR. Thus, Reimbursable Cooperative Agreements, and Trust Fund Cooperative Agreements to NOT get assessed SBR.

In addition, amendments to all other agreements (SCA, Grant, ATCA), **where all or a portion of the funds are being provided out of CRADA funds**, does not have SBR assessed. As a general rule, if the accounting code is not for the current fiscal year, then there is no SBR assessed.

Foreign agreements are also assessed for SBR.